

U.S. GOVERNMENT  
LEASE FOR REAL PROPERTY

DATE OF LEASE: 3/15/2010 Lease No. GS-11B-02182

THIS LEASE, made and entered into this date by and between WRIT Investment Nine, LLC

whose address is: c/o Washington Real Estate Investment Trust  
6110 Executive Blvd., Suite 800  
Rockville, MD 20852

and whose interest in the property hereinafter described is that of OWNER, hereinafter called the Lessor, and the UNITED STATES OF AMERICA, hereinafter called the Government.

WITNESSETH: The parties hereto for the considerations hereinafter mentioned, covenant and agree as follows:

1. The Lessor hereby leases to the Government the following described premises:

A total of 18,571 BOMA Rentable Square Feet (BRSF) yielding 18,306 ANSI/BOMA Office Area square feet (ABOASF) in the building known as The Hamptons (Building A) I, located at 9150 Hampton Overlook, Capitol Heights, Maryland 20743 to be used for SUCH GENERAL WAREHOUSE, OFFICE AND RELATED PURPOSES AS DETERMINED BY THE GOVERNMENT (See floor plans of leased premises included in Attachment A).

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term commencing in accordance with the terms of the Solicitation for Offers (SFO) No. 9MD2153, from March 15, 2010 continuing through March 14, 2020.

3. The Government shall pay the Lessor annual rent of \$303,450.14 (\$16.34/BRSF x 18,571 BRSF) at the rate of \$25,287.51 per month in arrears. Rent for a lesser period shall be prorated. The annual rent includes an operating cost base of \$69,826.96 (\$3.76/BRSF x 18,571 BRSF) daytime cleaning, base real estate taxes of \$21,107.07 (\$1.1366 x 18,571 BRSF), and a tenant improvement allowance of \$457,650.00 (\$25.00/ABOASF x 18,306 ABOASF) at eight percent (8%) annual interest over the 10 year firm term of the lease. Operating Costs include Daytime Cleaning, Electrical, Plumbing, Building Engineer, Security, Lawn and Landscaping Maintenance. Rent checks shall be made payable to: Washington Real Estate Investment Trust, 6110 Executive Blvd., Suite 800, Rockville, MD 20852 or in accordance with the provision for electronic payment of funds.

4. Termination Rights - Intentionally Deleted

5. Renewal Options - Intentionally Deleted

6. The Lessor shall furnish to the Government, as part of the rental consideration, the following:

- A. All services, alterations, repairs, and maintenance, as well as any other right and privilege stipulated by this Lease, the SFO, and its Attachments are included as a component of the rent.
- B. The Government agrees to accept space "as existing", and the Lessor represents that such items are in good repair, providing a tenantable condition. The intent of this qualification is to recognize that the Government may find such items or conditions to be at least minimally acceptable with regard to the Government's occupancy of the space. Nonetheless, such items or conditions are to be in "good repair and tenantable condition" at the time of Lease Commencement or by any other specified date(s). The acceptance of the Lease Premises "as existing" does not relieve the Lessor from the obligation in the Lease to maintain and repair the building shell and life safety in compliance with the standards set forth in the Lease.
- C. The Lessor shall provide to the Government a Tenant Improvement Allowance of \$457,650.00 (\$25.00/ABOASF x 18,306/ABOASF). Such allowance shall be available in full immediately upon execution of this Lease, but shall be held by the Lessor until directed by the Government on how the disbursement of funds shall occur. The Government shall have the full latitude to direct disbursement of funds in accordance with the SFO and/or offset the Government's rental obligation to the Lessor. This Tenant Improvement Allowance is included in the rent, with the \$25.00/ABOASF being amortized at a rate of 8% over the entire 10 year lease term. If the Government does not utilize the entire Tenant Improvement Allowance included in the rent, the rent shall be adjusted downward using the 8% amortization rate. The actual cost of the Tenant Improvements will be determined by the competition and cost proposal process as set forth in Paragraph 3.2 "Tenant Improvements Included in Offer", Paragraph 3.3 "Tenant Improvement Rental Adjustment" and Paragraph 5.3 "Tenant Improvement Pricing Requirements."
- D. In accordance with Paragraph 2.5 "Broker Commission and Commission Credit" of the Lease, Jones Lang LaSalle is the authorized real estate broker representing GSA in connection with this lease transaction. The Lessor and Jones Lang LaSalle have agreed to a cooperating lease commission of [REDACTED] of the lease value. The total amount of the commission is [REDACTED]. The Commission shall be due to Jones Lang LaSalle upon execution of this lease by the Government and payable within 30 days of the receipt of an invoice. [REDACTED] of the Commission shall be paid when the lease is awarded and [REDACTED] upon the earlier of the Tenant's occupancy of the premises leased pursuant to the lease or commencement date of the lease.
- E. For purposes of Paragraph 4.2 of the SFO, as of the date hereof, the Government's percentage of occupancy is 13.84%, based upon occupancy of 18,571 BRSF in a building 134,142 BRSF. Evidence of payment of taxes shall be furnished as provided by Paragraph 4.2 C and D of the SFO.
- F. In connection with the buildout of tenant improvements, the following limits on markups, fees and design costs shall apply. It is understood that the Lessor will act as the Project's General Contractor. General Conditions shall not exceed 5%, Lessor's overhead, profit, and other management fees shall not exceed 10%, and the architectural/engineering (including architectural, mechanical, electrical, plumbing, and structural engineering services) costs shall not exceed \$1.70/ABOASF. The combined total of the foregoing markups shall not exceed 15%, and fees shall not exceed \$1.70/ABOASF. These markups and fees are all subject to the right of the Government to reasonably negotiate individual markups based upon the actual scope of work of the requirement.
- G. Pursuant to Paragraph 4.5 of the SFO, as part of the rental consideration set forth in Paragraph 3 of this SF-2, services, utilities and maintenance shall be provided daily, extending from 8:00 am to 6:00 pm, except Saturdays, Sundays and federal holidays ("Normal Hours"). The Government shall have access to the leased space and appurtenant areas at all times without additional payment, including the use, during other than Normal Hours, of necessary services and utilities such as elevators, toilets, lights, and electric power.
- H. The adjustment to the rent for space previously occupied by the Government and then vacated is \$1.51 per ABOASF only to the extent the entire space is vacated.
- I. The costs to separately meter the space upon Government request, shall be at Government expense.

J. During the term of this Lease and in the event the Government, or the Lessor at the Government's instruction, installs any equipment in or about the Leased Premises, or performs any alterations to the Building or Leased Premises, that result in an increase in operating costs to the Lessor, then the Lessor may be entitled to an Equitable Adjustment to the Operating Cost Base (and therefore the gross rental) equal to the increased cost of utilities, repair and maintenance associated with such equipment or alterations.

K. In the event of a conflict between this SF-2 and any other documents that comprise the Lease, the SF-2 shall govern.

7. The following are attached and made a part hereof:

- A. Floor Plan for the Leased Premises ( 1 Page)
- B. Solicitation for Offers No. 9MD2153 dated December 15, 2009 (54 Pages)
- C. GSA Form 1217 titled Lessor's Annual Cost Statement (2 Pages)
- D. GSA Form 3517 titled GENERAL CLAUSES (33 Pages)
- E. GSA Form 3518 titled REPRESENTATIONS AND CERTIFICATIONS (7 Pages)

8. The following changes were made in this lease prior to execution:

Paragraphs 4 and 5 have been deleted in their entirety. SFO Attachments, not listed above, have been intentionally omitted.

IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their names as of the date first above written.

LESSOR: WRIT Investment Nine, LLC

By: Washington Real Estate Investment Trust, sole member

BY: 

TITLE: Michael S. Pankstius  
SVP-Real Estate

IN PRESENCE OF: Perry Finney  
Rockville MD 20852

ADDRESS 6110 Executive Blvd - Ste 800

UNITED STATES OF AMERICA

BY

  
MARK STADSKLEY

CONTRACTING OFFICER, GSA, NCR